

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 015715

46

ORIGIN COME-00

INFO OCT-01 NEA-06 ISO-00 EB-05 SS-20 CIAE-00 INR-10

NSAE-00 RSC-01 /043 R

66604

DRAFTED BY OED/EID/BC&OV:ADERHOLD

APPROVED BY EB/OCA/REP:GPWILSON

COM/OIM/NESA (INFO)

NEA/ARP:GQLUMSDEN

----- 076919

R 241714Z JAN 74

FM SECSTATE WASHDC

TO AMEMBASSY KUWAIT

INFO AMEMBASSY BEIRUT

LIMITED OFFICIAL USE STATE 015715

E.O. 11652: N/A

TAGS: BDIS, KU, LE

SUBJECT: SPERRY-RAND

REF: KUWAIT 116

SUMMARY: EASTERN COMMERCIAL AGENCY, AN INDEPENDENT ENTITY AND EXCLUSIVE SALES AGENT FOR SPERRY-RAND OFFICE EQUIPMENT IN MIDDLE EAST, HAS RESPONSIBILITY FOR APPOINTING DISTRIBUTORS. SPERRY-RAND NOT INVOLVED IN SELECTION. DECISION MADE TO CHANGE DISTRIBUTORS BECAUSE EQUIPMENT COMPANY CONSIDERED ARCHAIC, NOT AN AGGRESSIVE MARKETING ORGANIZATION AND LACKED PERSONNEL TO SERVICE NEW AND MORE COMPLEX EQUIPMENT. END SUMMARY.

1. SPERRY-RAND INFORMED USDOC THAT UNDER ITS ORGANIZATIONAL STRUCTURE EASTERN COMMERCIAL AGENCY HAS SOLE RESPONSIBILITY FOR MARKETING AND DISTRIBUTION IN MIDDLE EAST. SPERRY-RAND LOOKS TO EASTERN COMMERCIAL FOR OVERALL SALES PERFORMANCE IN AREA AND IF PERFORMANCE DOES NOT MEASURE UP TO EXPECTA-
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 015715

TIONS, SPERRY-RAND HAS RIGHT TO CANCEL EXISTING AGREEMENT.

APPOINTMENT OF DISTRIBUTORS IS SOLE RESPONSIBILITY OF EASTERN
COMMERCIAL AND SPERRY-RAND INVOLVEMENT IS MERELY ADVISORY.

2. ELIAS WAKEEN, MANAGER OF EASTERN COMMERCIAL, CONFIRMED
IN SUBSTANCE SPERRY-RAND'S EXPLANATION. WAKEEN SAID THAT
EQUIPMENT CO. REPRESENTS LARGE NUMBER PRINCIPALS AND HANDLES
SUCH A DIVERSIFIED RANGE OF PRODUCTS THAT FIRM IS UNABLE
TO EFFECTIVELY PROMOTE SALES OF ANY ONE PARTICULAR LINE.
WAKEEN ADDED THAT HE DISCUSSED POOR SALES PERFORMANCE WITH
GENERAL MANAGER OF EQUIPMENT CO. DURING PAST TWO YEARS BUT
FIRM DID NOTHING TO IMPROVE PERFORMANCE OR TRAIN SALES AND
TECHNICAL PERSONNEL TO DEAL WITH INCREASINGLY MORE SOPHISTI-
CATED EQUIPMENT AND TECHNIQUES. WAKEEN FEELS SPERRY-RAND
MARKET SHARE IN KUWAIT WAY BELOW POTENTIAL. DECISION TO
APPOINT AL-JEEL BASED ENTIRELY ON AL-JEEL'S KNOWLEDGE OF
OFFICE EQUIPMENT FIELD, AND WILLINGNESS TO LAUNCH AGGRESSIVE
SALES CAMPAIGN. THERE WERE NO PERSONAL PROBLEMS WITH THE
AL-GHANIM FAMILY.

3. VERBAL NOTIFICATION CANCELLING DISTRIBUTORSHIP EFFECTIVE
MARCH 1 ALREADY GIVEN AND WRITTEN NOTIFICATION SENT JANUARY
22. WHEN INFORMED OF POSSIBLE LEGAL ACTION, WAKEEN REPLIED
THAT DISTRIBUTORSHIP AGREEMENT PROVIDES FOR CANCELLATION UPON
30 DAYS WRITTEN NOTIFICATION.

4. FYI: JOSEPH SADDOKILL AND NO LONG ACTIVE IN FIRM.
KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 24 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE015715
Document Source: CORE
Document Unique ID: 00
Drafter: EID/BC
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740118/aaaaaqplp.tel
Line Count: 88
Locator: TEXT ON-LINE
Office: ORIGIN COME
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: KUWAIT 116
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 20 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 AUG 2002 by shawdg>; APPROVED <04-Sep-2002 by MorefiRH>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SPERRY-RAND
TAGS: BDIS, KU, LE
To: KUWAIT
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005